

City of Ketchikan, Alaska  
Ketchikan Public Utilities Fund  
Comparative Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

(continued)

	<u>2014</u>	<u>2013</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
<b>Operating Income</b>	\$ 14,964	\$ 339,611
<b>Adjustments:</b>		
Depreciation	6,908,978	6,264,041
Other	129,629	12,188
<b>(Increase) Decrease in Assets:</b>		
Accounts receivable	404,722	(120,060)
Unbilled revenue	443,818	(272,648)
Prepaid expenses	2,647	15,745
Inventory	105,514	(518,319)
Customer deposits	(3,152)	29,380
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	(169,729)	(166,438)
Compensated absences payable	(14,485)	44,050
Unearned revenue	(22,481)	26,068
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 7,800,425</u>	<u>\$ 5,653,618</u>
<b>Noncash investing, capital and financing activities</b>		
Fair value of non-cash investments	\$ -	\$ (16,492)
Revenue bond arbitrage	4,107	(2,690)

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
**Comparative Schedules of Revenues**  
**For the Years Ended December 31, 2014 and 2013**

	2014		2013	
	Amount	Total	Amount	Total
<b>Electric Department</b>				
Revenue from Services:				
Residential	\$6,796,723		\$6,929,393	
Boats	298,227		299,465	
Commercial	6,690,774		6,701,322	
Industrial	1,750,002		1,915,505	
Demand	514,972		510,887	
Area Lighting	49,172		48,995	
Street Lighting	127,692		126,178	
Diesel Surcharge	96,283	\$16,323,845	2,388,021	\$18,919,766
Other Revenue:				
Service Charges	110,175		110,011	
Late Payment Charges	25,819		105,808	
Rentals - Interdepartmental	154,217		155,177	
Other	3,358	293,569	55,648	426,644
<b>Total Electric</b>		<b>16,617,414</b>		<b>19,346,410</b>
<b>Telecommunications Department</b>				
Local Network Services:				
Basic Local Service	841,666		915,853	
Local Private Line	859,765		871,649	
Other Local Exchange	304,090	2,005,521	313,493	2,100,995
Network Access Services:				
Interstate End User	886,051		802,142	
Switched Access	5,215,493		5,167,205	
Special Access	1,586,174		1,180,634	
State Access	1,571,991	9,259,709	1,510,075	8,660,056
Other Revenues:				
Directory Revenue	328,528		317,825	
Other	170,818	499,346	126,393	444,218
Nonregulated Revenues	4,396,232	4,396,232	4,036,708	4,036,708
<b>Total Telecommunications</b>		<b>\$ 16,160,808</b>		<b>\$ 15,241,977</b>

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
**Comparative Schedules of Revenues (Cont'd)**  
**For the Years Ended December 31, 2014 and 2013**

		2014		2013	
		Amount	Total	Amount	Total
<b>Water Department</b>					
	Revenue from Services:				
	Residential	\$1,377,255		\$1,343,648	
	Apartments	294,082		269,394	
	Commercial	1,102,474		1,042,848	
	Industrial	228,401		236,039	
	Port	172,688	\$3,174,900	189,975	\$3,081,904
	Other Revenue:				
	Service Charges	304		719	
	Late Payment Charges	4,504		18,021	
	Other	28,987	33,795	28,284	47,024
	<b>Total Water</b>		<b>3,208,695</b>		<b>3,128,928</b>
<b>Total Revenue</b>			<b>\$35,986,917</b>		<b>\$37,717,315</b>

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
**Comparative Schedules of Operation and Maintenance Expenses**  
**For the Years Ended December 31, 2014 and 2013**

	2014		2013	
	Amount	Total	Amount	Total
<b>Electric Department</b>				
<b>Hydroelectric Generation</b>				
Operation				
Supervision & Engineering	\$980,751		\$988,987	
Hydraulic Expenses	72,093		47,293	
Electric Expenses	28,462	1,081,306	34,414	1,070,694
Maintenance				
Supervision & Engineering	808		-	
Structures	38,976		37,938	
Reservoirs & Dams	104,100		166,959	
Electric Plant	133,543		92,911	
Other	241,178	518,605	121,039	418,847
<b>Total Hydroelectric Generation</b>		<b>1,599,911</b>		<b>1,489,541</b>
<b>Diesel Generation</b>				
Operation				
Fuel	424,597		2,958,791	
Generation	17,591		127,436	
Other	439,272	881,460	581,856	3,668,083
Maintenance				
Supervision and Engineering	114,079		110,293	
Structures	28,370		58,427	
Electric Plant	99,632		152,462	
Other	178,574	420,655	328,532	649,714
<b>Total Diesel Generation</b>		<b>1,302,115</b>		<b>4,317,797</b>
Purchased Power		5,674,201		5,784,566
Automation Control System		305,068		325,268
<b>Total Generation</b>		<b>8,881,295</b>		<b>11,917,172</b>
<b>Transmission</b>				
Operation				
Overhead and Underground Lines	\$5,970	5,970	\$3,719	3,719
<b>Total Transmission</b>		<b>\$5,970</b>		<b>\$3,719</b>

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
*Comparative Schedules of Operation and Maintenance Expenses (Cont'd)*  
*For the Years Ended December 31, 2014 and 2013*

	2014		2013	
	Amount	Total	Amount	Total
<b>Distribution</b>				
Operation				
Supervision & Engineering	\$920,730		\$911,982	
Station Equipment	17,440		11,368	
Overhead & Underground Lines	3,346		7,322	
Street Lighting	80,391		71,670	
Meter Expenses	596,981		552,643	
Customer Installations	0		262	
Other	40,040	\$1,658,928	39,826	\$1,595,073
Maintenance				
Station Equipment	67,655		100,628	
Overhead & Underground Lines	1,402,195		1,140,234	
Line Transformers	7,547		21,603	
Other	180,245	1,657,642	126,259	1,388,724
<b>Total Distribution</b>		<b>3,316,570</b>		<b>2,983,797</b>
<b>Total Electric</b>		<b>12,203,835</b>		<b>14,904,688</b>
<b>Telecommunications Department</b>				
Plant Specific Operations:				
Network Support	197,142		106,383	
General Support	128,063		124,126	
Central Office Switching	435,678		318,725	
Central Office Transmission	983,042		1,192,658	
Cable and Wire Facilities Expense	828,528	2,572,453	919,441	2,661,333
Plant Nonspecific Operations				
Network Operations Expense	2,164,821	2,164,821	2,270,176	2,270,176
Customer Operations				
Customer Operations-Services	104,679	104,679	102,534	102,534
Nonregulated Operations Expenses	\$4,202,011	4,202,011	\$3,522,927	3,522,927
<b>Total Telecommunications</b>		<b>\$9,043,964</b>		<b>\$8,556,970</b>

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
*Comparative Schedule of Operation and Maintenance Expenses (Cont'd)*  
*For the Years Ended December 31, 2014 and 2013*

	2014		2013	
	Amount	Total	Amount	Total
<b>Water Department</b>				
Source of Supply				
Operation and Maintenance	<u>\$393,529</u>	\$393,529	<u>\$450,456</u>	\$450,456
Chlorination				
Labor and Supplies	170,944		186,720	
Maintenance	<u>140,310</u>	311,254	<u>114,998</u>	301,718
Distribution				
Supervision & Operation of Mains	419		402	
Maps & Records	397,436		357,554	
Customer Service	<u>139</u>	397,994	<u>4,606</u>	362,562
Maintenance				
Mains & Equipment	398,717		668,535	
Hydrants	3,177		20,692	
Valves & Structures	15,764		24,973	
Pump Stations	81,019		102,602	
PH Adjustment Facility	397,252		262,878	
Reservoirs	<u>\$61,485</u>	957,414	<u>\$31,057</u>	1,110,737
<b>Total Water</b>		<u>2,060,191</u>		<u>2,225,473</u>
<b>Total Operation and Maintenance</b>		<u><u>\$23,307,990</u></u>		<u><u>\$25,687,131</u></u>

**City of Ketchikan, Alaska**  
**Ketchikan Public Utilities Fund**  
*Comparative Schedules of Administrative and General Expenses*  
*For the Years Ended December 31, 2014 and 2013*

	2014	2013
Customer Service	\$1,907,327	\$1,779,319
General Accounting	828,994	837,757
Administrative Expenses	2,153,181	1,929,600
Engineering Services	92,427	103,775
Information Technology	602,114	584,165
Insurance & Claims	170,942	191,916
<b>Total</b>	<u>\$5,754,985</u>	<u>\$5,426,532</u>

**City of Ketchikan, Alaska**  
**Port Fund**  
*Comparative Statements of Net Position*  
*December 31, 2014 and 2013*

	<u>2014</u>	<u>2013</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and temporary investments	\$ 5,504,277	\$ 2,900,167
Restricted cash, cash equivalents and investments:		
Debt service	845,762	866,369
Commercial passenger excise tax	1,619,258	-
Accounts receivable	95,333	2,846,430
Interest receivable	108,000	-
Prepaid expense	1,021,346	1,124,342
<b>Total Current assets</b>	<u>9,193,976</u>	<u>7,737,308</u>
<b>Noncurrent assets</b>		
Restricted investments:		
Repair and replacement investments	3,664,611	3,137,625
Bond reserve investments	2,592,786	2,589,291
Accrued interest on bond reserve investments	1,684	2,445
Total restricted assets	<u>6,259,081</u>	<u>5,729,361</u>
Internal Receivable	<u>2,700,000</u>	<u>2,700,000</u>
Capital assets		
Land	1,775,740	1,775,740
Other non-depreciable assets	169,361	169,361
Construction work in progress	200,947	5,449,151
Port facilities	66,593,984	67,104,873
Accumulated depreciation	<u>(14,057,181)</u>	<u>(15,390,071)</u>
Total capital assets (net of accumulated depreciation)	<u>54,682,851</u>	<u>59,109,054</u>
<b>Total noncurrent assets</b>	<u>63,641,932</u>	<u>67,538,415</u>
<b>Total Assets</b>	<u>\$ 72,835,908</u>	<u>\$ 75,275,723</u>



City of Ketchikan, Alaska  
Port Fund  
Comparative Statements of Net Position  
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 87,318	\$ 894,455
Accrued interest payable	144,021	147,440
Compensated absences payable	3,130	3,152
Unamortized premiums	28,561	28,561
Revenue bonds payable	885,000	845,000
<b>Total current liabilities</b>	<u>1,148,030</u>	<u>1,918,608</u>
<b>Noncurrent liabilities</b>		
Compensated absences payable	28,173	28,372
Unamortized bond premium	568,839	597,400
Revenue bonds payable	31,775,000	32,660,000
<b>Total noncurrent liabilities</b>	<u>32,372,012</u>	<u>33,285,772</u>
<b>Total Liabilities</b>	<u>33,520,042</u>	<u>35,204,380</u>
<b>Net position</b>		
Net investment in capital assets	21,425,451	24,978,093
Restricted repair and replacement funds	3,664,611	3,137,625
Restricted commercial passenger excise tax funds	1,619,258	
Restricted for bond retirement	3,296,211	3,310,665
Unrestricted	9,310,335	8,644,960
<b>Total net position</b>	<u>39,315,866</u>	<u>40,071,343</u>
<b>Total Liabilities and Net Postion</b>	<u>\$ 72,835,908</u>	<u>\$ 75,275,723</u>



THIS PAGE INTENTIONALLY LEFT BLANK

City of Ketchikan, Alaska  
Port Fund  
Comparative Statements of Revenues, Expenses and  
Changes in Net Position  
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Operating Revenues</b>		
Charges for services		
Docking	\$1,770,044	\$1,877,195
Passenger wharfage fee	6,110,005	6,556,500
Rental income	406,748	376,761
Water	230,250	253,300
Other	61,012	82,164
<b>Total Operating Revenues</b>	<u>8,578,059</u>	<u>9,145,920</u>
<b>Operating Expenses</b>		
Operation and maintenance		
Personnel services	1,076,322	983,664
Supplies and services	403,784	434,663
Financial service	166,378	171,545
Insurance	159,376	191,300
Utilities	285,512	306,381
Property Taxes	165,412	165,627
Lease payments	2,469,731	2,328,920
Depreciation	1,587,253	1,636,863
<b>Total Operating Expenses</b>	<u>6,313,768</u>	<u>6,218,963</u>
<b>Operating Income</b>	<u>2,264,291</u>	<u>2,926,957</u>
<b>Non-Operating Revenues (Expenses)</b>		
Operating grants - CPV funds	2,409,395	1,952,881
Operating grants	81,902	40,331
Interest earnings	117,529	8,331
Interest expense	(1,699,246)	(1,748,973)
Loss on disposal of capital assets	(2,999,297)	(1,165,204)
<b>Total Non-Operating Revenue (Expenses)</b>	<u>(2,089,717)</u>	<u>(912,634)</u>
<b>Net Income Before Grants and Transfers</b>	174,574	2,014,323
Capital grants	4,407,753	8,676,543
<b>Net Income Before Transfers</b>	4,582,327	10,690,866
<b>Transfers Out</b>		
Payment in lieu of taxes to general fund	(319,000)	(319,000)
Transfer to general fund	(111,642)	(80,199)
Transfer to major capital improvements fund	(4,907,162)	-
<b>Total Transfers Out</b>	<u>(5,337,804)</u>	<u>(399,199)</u>
<b>Change in Net Position</b>	(755,477)	10,291,667
<b>Net Position Beginning of Year</b>	<u>40,071,343</u>	<u>29,779,676</u>
<b>Net Position End of Year</b>	<u>\$39,315,866</u>	<u>\$40,071,343</u>

City of Ketchikan, Alaska  
Port Fund  
Comparative Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

	2014	2013
<b>Cash Flows from Operating Activities</b>		
Cash received from customers and users	\$ 8,506,186	\$ 9,145,920
Cash payments to employees for services	(994,641)	(978,610)
Cash payments to suppliers for goods and services	(3,606,578)	(3,646,667)
<b>Net Cash Provided by Operating Activities</b>	<u>3,904,967</u>	<u>4,520,643</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating grant from other governments	2,491,297	1,993,212
Transfers out	(5,018,804)	(80,199)
Payment in lieu of taxes to the general fund	(319,000)	(319,000)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>(2,846,507)</u>	<u>1,594,013</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from the disposition of capital assets	76	-
Advances to other funds	-	(2,700,000)
Capital grant received from other governments	7,230,723	8,910,174
Principal paid on general obligation bonds, advances and equipment contracts	-	(270,000)
Principal paid on revenue bonds	(845,000)	(810,000)
Interest paid on general obligation bonds	-	(14,850)
Interest paid on revenue bonds	(1,731,226)	(1,767,675)
Payments for capital acquisitions and construction	(990,081)	(8,342,354)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>3,664,492</u>	<u>(4,994,705)</u>
<b>Cash Flows from Investing Activities</b>		
Investment earnings	4,355	9,870
Sale of investments	(3,495)	(11,810)
Purchase of investments	(521,051)	(521,051)
<b>Net Cash Used by Investing Activities</b>	<u>(520,191)</u>	<u>(522,991)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	4,202,761	596,960
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>3,766,536</u>	<u>3,169,576</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 7,969,297</u>	<u>\$ 3,766,536</u>
<b>Reconciliation of Cash and Cash Equivalents to the Balance Sheet:</b>		
Cash and temporary investments - current assets	5,504,277	2,900,167
Commercial passenger excise tax funds - restricted	1,619,258	-
Revenue bond redemption fund - restricted	845,762	866,369
	<u>\$ 7,969,297</u>	<u>\$ 3,766,536</u>

(continued)

City of Ketchikan, Alaska  
Port Fund  
Comparative Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

(continued)

	<u>2014</u>	<u>2013</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
<b>Operating Income</b>	\$ 2,264,291	\$ 2,926,957
<b>Adjustments:</b>		
Depreciation	1,587,253	1,636,863
<b>(Increase) Decrease in Assets:</b>		
Accounts receivable	(71,873)	
Prepaid expenses	102,996	(68,602)
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	22,521	20,371
Compensated absences payable	(221)	5,054
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 3,904,967</u>	<u>\$ 4,520,643</u>
 <b>Noncash investing, capital and financing activities</b>		
Fair value of non-cash investments	\$ -	\$ 9,441

City of Ketchikan, Alaska  
Wastewater Services Fund  
Comparative Statements of Net Position  
December 31, 2014 and 2013

	2014	2013
<b>Assets</b>		
<b>Current assets</b>		
Cash and temporary investments	\$ 998,442	\$ 74,325
Restricted cash, cash equivalents and investments:		
Debt service	17,992	32,808
Accounts receivable		
Accounts	147,287	-
Intergovernmental	639,240	1,215,297
Unbilled revenue	122,886	118,404
<b>Total current assets</b>	<u>1,925,847</u>	<u>1,440,834</u>
<b>Noncurrent assets</b>		
Capital assets		
Construction work in progress	480,474	3,802,406
Wastewater facilities	24,648,869	20,830,341
Accumulated depreciation	(7,352,995)	(7,054,921)
Total capital assets (net of accumulated depreciation)	<u>17,776,348</u>	<u>17,577,826</u>
<b>Total noncurrent assets</b>	<u>17,776,348</u>	<u>17,577,826</u>
<b>Total Assets</b>	<u><u>\$ 19,702,195</u></u>	<u><u>\$ 19,018,660</u></u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 65,913	\$ 67,443
Accrued interest	4,297	19,316
Compensated absences payable	3,497	2,811
General obligation bonds payable	68,032	67,021
Revenue bonds payable	13,548	13,349
<b>Total current liabilities</b>	<u>155,287</u>	<u>169,940</u>
<b>Noncurrent liabilities</b>		
Accrued interest payable	7,081	1,655
Compensated absences payable	31,474	25,297
General obligation bonds payable	2,643,938	2,683,406
Revenue bonds payable	281,915	295,464
<b>Total noncurrent liabilities</b>	<u>2,964,408</u>	<u>3,005,822</u>
<b>Total liabilities</b>	<u>3,119,695</u>	<u>3,175,762</u>
<b>Net position</b>		
Net investment in capital assets	14,768,915	14,518,586
Restricted for bond retirement	6,614	11,837
Unrestricted	1,806,971	1,312,475
<b>Total net position</b>	<u>16,582,500</u>	<u>15,842,898</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$ 19,702,195</u></u>	<u><u>\$ 19,018,660</u></u>



City of Ketchikan, Alaska  
Wastewater Services Fund  
Comparative Statements of Revenues, Expenses and  
Changes in Net Position  
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Operating Revenues</b>		
Charges for services	\$ 2,575,541	\$ 2,451,800
Other	(500)	14,891
<b>Total Operating Revenues</b>	<u>2,575,041</u>	<u>2,466,691</u>
<b>Operating Expenses</b>		
Operation and maintenance		
Personnel services	843,523	789,932
Supplies and services	537,935	774,150
Engineering services	258,857	256,453
Financial service	177,517	188,187
Insurance	16,606	19,218
Utilities	185,695	193,202
Depreciation	427,712	398,028
<b>Total Operating Expenses</b>	<u>2,447,845</u>	<u>2,619,170</u>
<b>Operating Income (Loss)</b>	<u>127,196</u>	<u>(152,479)</u>
<b>Non-Operating Revenues (Expenses)</b>		
Operating grants	22,636	10,475
Interest earnings	(28)	(62)
Interest expense	(29,402)	(22,848)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(6,794)</u>	<u>(12,435)</u>
<b>Net Loss Before Grants and Transfers</b>	120,402	(164,914)
<b>Grants and Transfers</b>		
Capital grants	699,200	3,704,853
Transfers out - payment in lieu of taxes	(80,000)	(80,000)
<b>Total Grants and Transfers</b>	<u>619,200</u>	<u>3,624,853</u>
<b>Change in Net Postion</b>	739,602	3,459,939
<b>Net Position Beginning of Year</b>	<u>15,842,898</u>	<u>12,382,959</u>
<b>Net Position End of Year</b>	<u>\$16,582,500</u>	<u>\$15,842,898</u>

City of Ketchikan, Alaska  
Wastewater Services Fund  
Comparative Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

	2014	2013
<b>Cash Flows from Operating Activities</b>		
Cash received from customers and users	\$ 2,423,272	\$ 2,454,752
Cash payments to employees for services	(814,024)	(784,556)
Cash payments to suppliers for goods and services	(1,197,360)	(1,488,393)
<b>Net Cash Provided by Operating Activities</b>	411,888	181,803
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating grant from other governments	22,636	10,475
Payment in lieu of taxes to the general fund	(80,000)	(80,000)
Cash overdraft payments	-	(86,909)
<b>Net Cash Used by Noncapital Financing Activities</b>	(57,364)	(156,434)
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital grant received from other governments	1,275,257	1,256,958
Capital debt proceeds	28,564	833,138
Principal paid on general obligation bonds and equipment contracts	(80,371)	(39,335)
Interest paid on general obligation bonds and equipment contracts	(38,995)	(13,110)
Payments for capital acquisitions and construction	(629,650)	(1,955,825)
<b>Net Cash Provided by Capital and Related Financing Activities</b>	554,805	81,826
<b>Cash Flows from Investing Activities</b>		
Investment earnings	(28)	(62)
<b>Net Cash Used by Investing Activities</b>	(28)	(62)
<b>Net Increase in Cash and Cash Equivalents</b>	909,301	107,133
<b>Cash and Cash Equivalents Beginning of Year</b>	107,133	-
<b>Cash and Cash Equivalents End of Year</b>	\$ 1,016,434	\$ 107,133
<b>Reconciliation of Cash and Cash Equivalents to the Balance Sheet:</b>		
Cash and temporary investments - current assets	998,442	74,325
Revenue bond redemption fund - restricted	17,992	32,808
	\$ 1,016,434	\$ 107,133

(continued)



City of Ketchikan, Alaska  
Wastewater Services Fund  
Comparative Statements of Cash Flows  
For the Years Ended December 31, 2014 and 2013

(continued)

	<u>2014</u>	<u>2013</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>		
<b>Operating Loss</b>	\$ 127,196	\$ (152,479)
<b>Adjustments:</b>		
Depreciation	427,712	398,028
<b>(Increase) in Assets:</b>		
Accounts receivable	(147,287)	
Unbilled revenue	(4,482)	(11,939)
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	1,886	(46,708)
Compensated absences payable	6,863	(5,099)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 411,888</u>	<u>\$ 181,803</u>



THIS PAGE INTENTIONALLY LEFT BLANK

## INTERNAL SERVICE FUNDS

Self-Insurance Fund - This fund accounts for claims not covered by the City's insurance policies.

Compensated Absences Fund – The fund accounts for the accumulation of resources used to pay for compensated absences of employees accounted for in governmental funds.

City of Ketchikan, Alaska  
Combining Statement of Net Position  
Internal Service Funds  
December 31, 2014

	Self-Insurance	Compensated Absences	Total Internal Service Funds
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 681,125	\$ 1,327,290	\$ 2,008,415
Interest receivable	24,000		24,000
Prepaid insurance	645,950	-	645,950
<b>Total Current Assets</b>	<u>1,351,075</u>	<u>1,327,290</u>	<u>2,678,365</u>
<b>Noncurrent Assets:</b>			
Internal Receivable	600,000	-	600,000
<b>Total Noncurrent Assets</b>	<u>600,000</u>	<u>-</u>	<u>600,000</u>
<b>Total Assets</b>	<u>\$ 1,951,075</u>	<u>\$ 1,327,290</u>	<u>\$ 3,278,365</u>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	115,399	-	115,399
Compensated absences payable	-	132,729	132,729
Claims payable	143,000	-	143,000
<b>Total Current Liabilities</b>	<u>258,399</u>	<u>132,729</u>	<u>391,128</u>
<b>Noncurrent Liabilities:</b>			
Compensated absences payable (net of current portion)	-	1,194,561	1,194,561
<b>Total Liabilities</b>	<u>258,399</u>	<u>1,327,290</u>	<u>1,585,689</u>
<b>Net Position</b>			
Unrestricted	<u>\$ 1,692,676</u>	<u>\$ -</u>	<u>\$ 1,692,676</u>

City of Ketchikan, Alaska  
Combining Statement of Revenues,  
Expenses and Changes in Net Position  
Internal Service Funds  
For the Year Ended December 31, 2014

	Self-Insurance	Compensated Absences	Total Internal Service Funds
<b>Operating Revenues</b>			
Charges for services	\$ 1,191,330	\$ 1,082,361	\$ 2,273,691
Miscellaneous income	118,911	-	118,911
<b>Total Revenues</b>	<u>1,310,241</u>	<u>1,082,361</u>	<u>2,392,602</u>
<b>Operating Expenses</b>			
Compensated absences	-	1,082,361	1,082,361
Insurance	1,249,013	-	1,249,013
Claims	37,228	-	37,228
<b>Total Operating Expenses</b>	<u>1,286,241</u>	<u>1,082,361</u>	<u>2,368,602</u>
<b>Operating Income</b>	<u>24,000</u>	<u>-</u>	<u>24,000</u>
<b>Change in Net Position</b>	24,000	-	24,000
<b>Net Position Beginning of Year</b>	<u>1,668,676</u>	<u>-</u>	<u>1,668,676</u>
<b>Net Position End of Year</b>	<u>\$ 1,692,676</u>	<u>\$ -</u>	<u>\$ 1,692,676</u>

City of Ketchikan, Alaska  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2014

	Self-Insurance	Compensated Absences	Total Internal Service Funds
<b>Cash Flows from Operating Activities</b>			
Cash received from customers and users	\$ 1,310,241	\$ 1,082,361	\$ 2,392,602
Cash payments for insurance and claims	(1,352,309)	-	(1,352,309)
Cash payments for compensated absences	-	(1,055,994)	(1,055,994)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(42,068)</u>	<u>26,367</u>	<u>(15,701)</u>
<b>Cash Flows from Investing Activities</b>			
Interest on investments	(24,000)	-	(24,000)
<b>Net Cash Used by Investing Activities</b>	<u>(24,000)</u>	<u>-</u>	<u>(24,000)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(66,068)	26,367	(39,701)
<b>Cash and Cash Equivalents Beginning of Year</b>	747,193	1,300,923	2,048,116
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 681,125</u>	<u>\$ 1,327,290</u>	<u>\$ 2,008,415</u>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities</b>			
<b>Operating Income</b>	\$ 24,000	\$ -	\$ 24,000
<b>(Increase) in Assets:</b>			
Prepaid expenses	(68,844)	-	(68,844)
<b>Increase (Decrease) in Liabilities:</b>			
Accounts payable	109,776	-	109,776
Compensated absences payable	-	26,367	26,367
Claims payable	(107,000)	-	(107,000)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (42,068)</u>	<u>\$ 26,367</u>	<u>\$ (15,701)</u>

# CITY OF KETCHIKAN, ALASKA

(Page 1 of 2)

## COMBINED SCHEDULE OF CASH AND INVESTMENTS BALANCES - ALL FUNDS

Year Ended December 31, 2014

### Cash and Investment Balances

Cash in Revenue Bond Redemption Accounts	\$1,963,202
Cash in Petty Cash Funds	9,570
Cash in Other Accounts	<u>50,879,592</u>

<b>Total Cash</b>	<u><u>52,852,364</u></u>
-------------------	--------------------------

### Investments

Investments with Financial Institutions	<u>52,161,666</u>
---	-------------------

<b>Total Investments</b>	<u><u>\$52,161,666</u></u>
--------------------------	----------------------------

<b>Total Cash and Investments</b>	<u><u>\$105,014,030</u></u>
-----------------------------------	-----------------------------

### General Fund

Unrestricted Funds	\$1,598,162	
Investigation Funds	<u>137,151</u>	\$1,735,313

### Special Revenue Funds

Sales Tax Hospital Fund	\$5,916,547	
Sales Tax Public Works Fund	4,958,475	
Economic Development Parking Fund	232,796	
Transient Tax Fund	178,479	
Solid Waste Services Fund	3,652,957	
Ketchikan Boat Harbor Fund	1,119,897	
Bayview Cemetery Fund	141,305	
US Marshall Property Seizure Fund	162,752	
Community Grant Fund	5,992	
Shoreline Fund	<u>130,100</u>	16,499,300

### Capital Project Funds

Major Capital Improvement Fund		
Unrestricted Funds	144,640	
Commercial Passenger Excise Tax Funds	196,727	
Community Facilities Development Fund		
Unrestricted Funds	2,277,291	
Bond Construction Funds	515,815	
Harbor Improvements Fund		
Unrestricted Funds	1,206,738	
Bond Construction Funds	2,683,878	
Hospital Construction Fund	<u>\$42,738,247</u>	\$49,763,336



# CITY OF KETCHIKAN, ALASKA

(Page 2 of 2)

## COMBINED SCHEDULE OF CASH AND INVESTMENTS BALANCES - ALL FUNDS (Cont'd)

Year Ended December 31, 2014

### Enterprise Funds

Wastewater Service Fund		
Unrestricted Funds	\$998,442	
Revenue Bond Redemption Funds	17,992	
Ketchikan Port Fund:		
Unrestricted Funds	5,504,277	
Revenue Bond Redemption Funds	845,762	
Commercial Passenger Excise Tax Funds	1,619,258	
Repair & Replacement Funds	3,664,611	
Revenue Bond Reserve Funds	2,592,786	
Ketchikan Public Utilities Fund:		
Unrestricted Funds	16,778,078	
Revenue Bond Redemption Funds	1,099,448	
Bond Construction Funds	208,971	
Revenue Bond Reserve Funds	<u>1,678,041</u>	\$35,007,666

### Internal Service Funds

Self-Insurance Fund	681,125	
Compensated Leave Fund	<u>\$1,327,290</u>	<u>2,008,415</u>

### Total Cash and Investments

\$105,014,030



## CITY OF KETCHIKAN, ALASKA

COMBINED SCHEDULE OF INVESTMENTS - ALL FUNDS  
Year Ended December 31, 2014

		<i>Interest Rate</i>	<i>Maturity Date</i>	<i>Amount</i>
<b>BAR HARBOR SOUTH FUND INVESTMENTS</b>				
Wells Fargo Advisors				
	Cash and Money Funds			<u>408,065</u>
<b>CITY OF KETCHIKAN GENERAL INVESTMENT ACCOUNT</b>				
Wells Fargo Advisors				
	US Treasury Notes	2.250%	1/31/2015	100,164
	US Treasury Notes	4.875%	8/15/2016	427,952
	Cash and Money Funds			<u>268,076</u>
				<u>796,192</u>
<b>KETCHIKAN PUBLIC UTILITIES - REVENUE BOND RESERVE FUND INVESTMENTS</b>				
Bank of New York Mellon				
	Cash and Money Funds			<u>1,758,678</u>
<b>KETCHIKAN PORT - REVENUE BOND RESERVE FUND INVESTMENTS</b>				
Wells Fargo Advisors				
	US Treasury Notes	0.250%	2/15/2015	1,783,285
	Cash and Money Funds			<u>809,501</u>
				<u>2,592,786</u>
<b>FIRE STATION CONSTRUCTION FUND</b>				
Wells Fargo Advisors				
	Cash and Money Funds			<u>321,500</u>
<b>LIBRARY FACILITIES CONSTRUCTION FUND</b>				
Wells Fargo Advisors				
	Cash and Money Funds			<u>194,315</u>
<b>HARBOR BOND CONSTRUCTION FUND</b>				
First Bank				
	Cash and Money Funds			<u>3,008,595</u>
<b>KETCHIKAN MEDICAL CENTER BOND CONSTRUCTION FUND</b>				
First Bank				
	Cash and Money Funds			<u>43,081,535</u>
<b>TOTAL ALL FUNDS</b>				<u><u>52,161,666</u></u>